

SCHEDULE 2

COST OF GOODS

TRIUMPH GENETIC SUPPLY MEMBER AGREEMENT

EFFECTIVE THROUGH DECEMBER 31, 2000

PARENT GILT

| CATEGORY | WEIGHT OR AGE | ROUTINE ORDER ¹ | SPOT ORDER ² |
|----------------|-----------------|-----------------------------------|-------------------------|
| Select | 240-260# | \$35 + carcass value ³ | Price quote |
| Breeder/Weaner | 40-50# | \$77 | Price quote |
| Isowean | 21 days or less | \$62 | Price quote |

GREAT GRANDPARENT OR GRANDPARENT GILT

| CATEGORY | WEIGHT OR AGE | ROUTINE ORDER ¹ | SPOT ORDER ² |
|----------------|-----------------|-----------------------------------|-------------------------|
| Select | 240-260# | \$90 + carcass value ³ | Price quote |
| Breeder/Weaner | 40-50# | \$121 | Price quote |
| Isowean | 21 days or less | \$106 | Price quote |

BOARS

| CATEGORY | COST |
|----------------------|-----------------------------------|
| AI Boar | \$450 + market value ³ |
| Natural Service Boar | \$150 + market value ³ |

SEMEN

| DOSES PER DELIVERY | ROUTINE ORDER ¹ | SPOT ORDER ² |
|--------------------|----------------------------|---------------------------|
| 50 or more doses | \$4.50 per dose delivered | \$5.00 per dose delivered |
| Less than 50 doses | \$4.75 per dose delivered | \$5.25 per dose delivered |

Footnotes:

1. Routine Order: Recurring, repetitious order.
2. Spot Order: Nonrecurring order.
3. Carcass value: USDA 185-lb. pork carcass cutout (previous week's average) X 0.74 X average liveweight/100.

MULTIPLE WEIGHT GILTS: Price quote on request.

PREMIUM CREDIT: In lieu of premium refunds or future credit for gilts due to lameness, failure to cycle, or other conditions rendering them unfit for breeding, 3% of shipped mature gilts will be invoiced at carcass value only.

DELIVERY: Delivery is not included in above costs (except for semen) and will be invoiced to Member at actual cost, which cost shall be paid by Member.

REVISIONS: Triumph, at its option and in its sole and absolute discretion, at any time and from time to time on or after January 1, 2001, may revise the cost of goods of the genetics set forth in this Schedule 2; provided, however, Triumph shall give Member ninety (90) days prior written notice of such revision in the cost of goods.